

MARKET WATCH

First Quarter 2026



Worldwide Real Estate Services

Economic Indicators

Unemployment Rate, National	4.3%	↓
Unemployment Rate, New Jersey	5.1%	↓
National Median Existing Home Price	\$408,800	↑
Consumer Confidence Index	91.8%	↑
10 Year Treasury Yield	4.30%	↑
WTI Crude Oil Price	\$102.86	↑

NJ CRE Market Overview: Key Q1 2026 Trends

In the Industrial sector, Northern NJ vacancy moved up to roughly 6.6% as residual deliveries continued to outpace absorption, though statewide net absorption swung positive at on the strength of five build-to-suit completions. In-place rent growth held, but asking rents in core port-centric submarkets — Linden/Elizabeth, Bergen Central, Hudson Waterfront, Union Central and Route 280/Suburban Essex — are now 16%+ below their cycle peaks. The construction pipeline has pulled back sharply, down ~42% from 2024 and ~60% from the 2023 peak, which should help the market work through remaining vacancy through the back half of the year.

The Office market is showing the first real signs of stabilization in years. Northern + Central NJ vacancy fell to 12.2% — the lowest reading since mid-2022 — on roughly +256K SF of positive net absorption, the fourth consecutive quarter in the black. Class A captured nearly 90% of activity, with average Class A direct asking rents at \$34.20/SF and Premier Class A (built or significantly renovated within the last 10 years) running roughly 15% above the broader Class A market.

Retail continues to post the tightest fundamentals of the three sectors, with vacancy still in the low-to-mid 3% range and limited new construction supporting well-located space. That said, Q1 brought a modest national negative absorption print tied to elevated store closures — particularly among value-oriented and mom-and-pop tenants — and rent growth has stayed essentially flat. Service-oriented users (medical, fitness, F&B) continue to drive net new leasing and backfill closures quickly in prime corridors.

Takeaway: The market is bifurcating, not re-treating. Industrial is past peak vacancy and the supply pipeline is finally rationalizing. Office is quietly stabilizing — but only at the top of the stack. Retail is still the steadiest performer, though store-closure activity is something to watch into Q2. Net-net, the “healthier and more balanced market into 2026” thesis from Q4 is largely playing out.



By: Varuna Raina
Sales Associate

Varuna joined Sitar Realty Company in 2026 and specializes in the retail sector of commercial real estate.

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Northern New Jersey Key Performance Indicators

	Office	Industrial	Retail
Average Market Rate (PSF)	\$30.87	\$16.62	\$27.31
Average Vacancy Rate	12.2%	6.6%	3.6%
Net Absorption	256,000	(221,000)	238,000
Total Inventory (Million SF)	117.0	225.0	112.0

Select Sitar Transactions - Q1 2026

The sale of a 11,700 sq. ft. office building at 3310 Route 66 in Neptune, New Jersey by Claremont Group to Shore Christian Church. The sales price was \$2,875,777. Gregg Nowell and William Sitar Jr. were the brokers in this transaction.

The sale of an ±8,873 sq. ft. industrial building at 5 Veronica Avenue in Franklin, New Jersey by Claremont Group to Shore Christian Church. The sales price was \$2,250,000. Phil Meoli was the broker in this transaction.

The sale of ±1.95 acres at 1274 South River Road in Cranbury, New Jersey by AMD Empire Investments, LLC to the Township of Cranbury. The sales price was \$2,500,000. Andrew Burachinsky and Bill Sitar Jr. were the brokers in this transaction.

The sale of the ±10,188 sq. ft. retail building at 300 Richmond Avenue in Point Pleasant Beach, New Jersey by Gagnon & Gagnon, Inc. to 300 Richmond Avenue, LLC. The sales price was \$1,850,000. TR Deveney was the broker in this transaction.

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Large Blocks of Absorption

Office		
Nobel BioCare USA	84,240 SF	800 Corporate Drive, Mahwah
Sandoz	78,391 SF	777 Scudders Mill Road, Plainsboro
Wilentz Goldman & Spitzer	73,500 SF	90 Woodbridge Center Drive, Woodbridge
Industrial		
Home Depot	772,000 SF	61 Station Road, Cranbury
Creative Innovation Inc.	704,000 SF	207 Route 73 South, Palmyra
Fed Ex	695,072 SF	25-53 Talmadge Road, Edison
Retail		
Extra Space Storage	61,551 SF	675 US Highway 1 S & Gills Lane, Woodbridge
Tesla	5,058 SF	140 Route 10, Randolph
Burlington	37,012 SF	641 State Road 440, Jersey City

Average Sales Prices

	Office PSF	Industrial PSF	Retail PSF	Multi Family Per Unit
Northern New Jersey	\$185	\$207	\$237	\$264,000
Lakewood-New Brunswick	\$182	\$244	\$249	\$269,000
Trenton	\$165	\$182	\$193	\$266,000
Atlantic City	\$133	\$73	\$187	\$137,000
Vineland	\$94	\$89	\$139	\$119,000

Net Absorption, SF (Past 12 Months)

	Office	Industrial	Retail
Northern New Jersey	256,000	(221,000)	(123,000)
Lakewood-New Brunswick	582,000	1,300,000	(64,400)
Trenton	445,000	(544,000)	56,700
Atlantic City	(103,000)	(394,000)	(141,000)
Vineland	(8,500)	(28,100)	32,300

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FEATURED LISTINGS

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MULTI FAMILY FOR SALE

529-531 & 526-532 Mulberry St
and 166-170 Emmet St.
Newark, NJ 07114

Please contact:
Office: 732.283.9000

Bill Sitar Jr.
Cell: 732.202.9119

Tatiane Ubagai
Cell: 917.403.9381



RETAIL FOR LEASE

61 Main Avenue
Ocean Grove, NJ 07756

Please contact:
Office: 732.283.9000

Jude Clark
Cell: 732.759.5029



INDUSTRIAL FOR LEASE

1717 New Jersey 34
Building 34
Wall, NJ 07727

Please contact:
Office: 732.283.9000

Douglas Sitar
Cell: 732.859.2144

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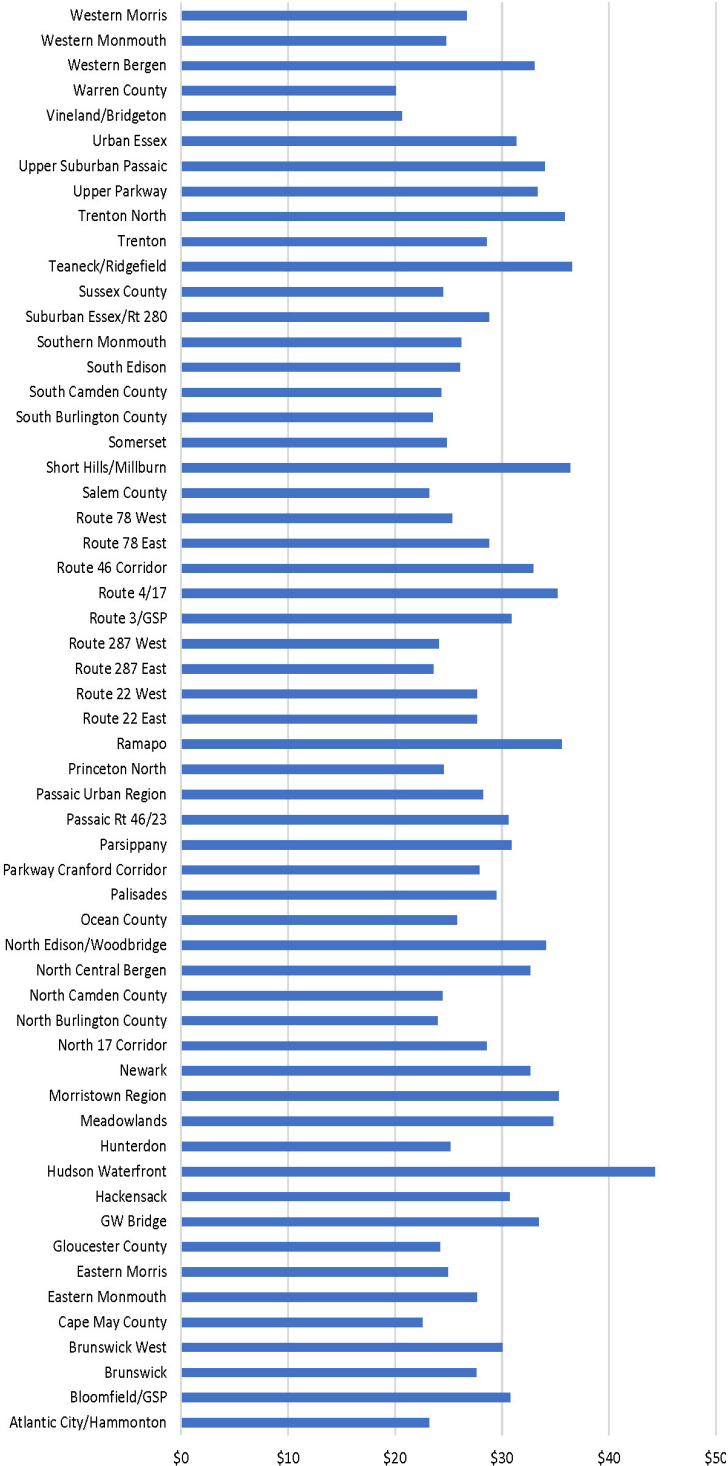
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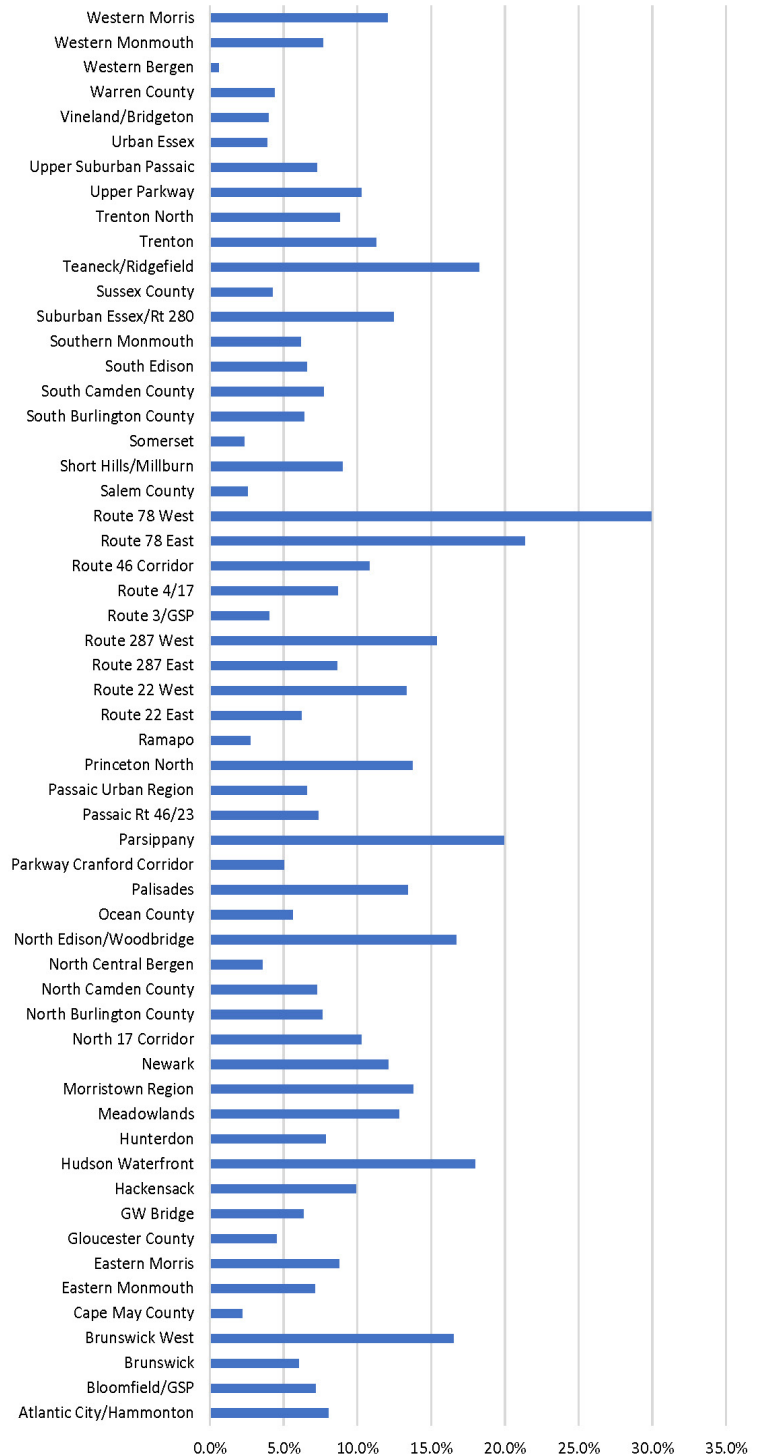


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Office: Quoted Rates by Submarket



Office: Vacancy Rates by Submarket



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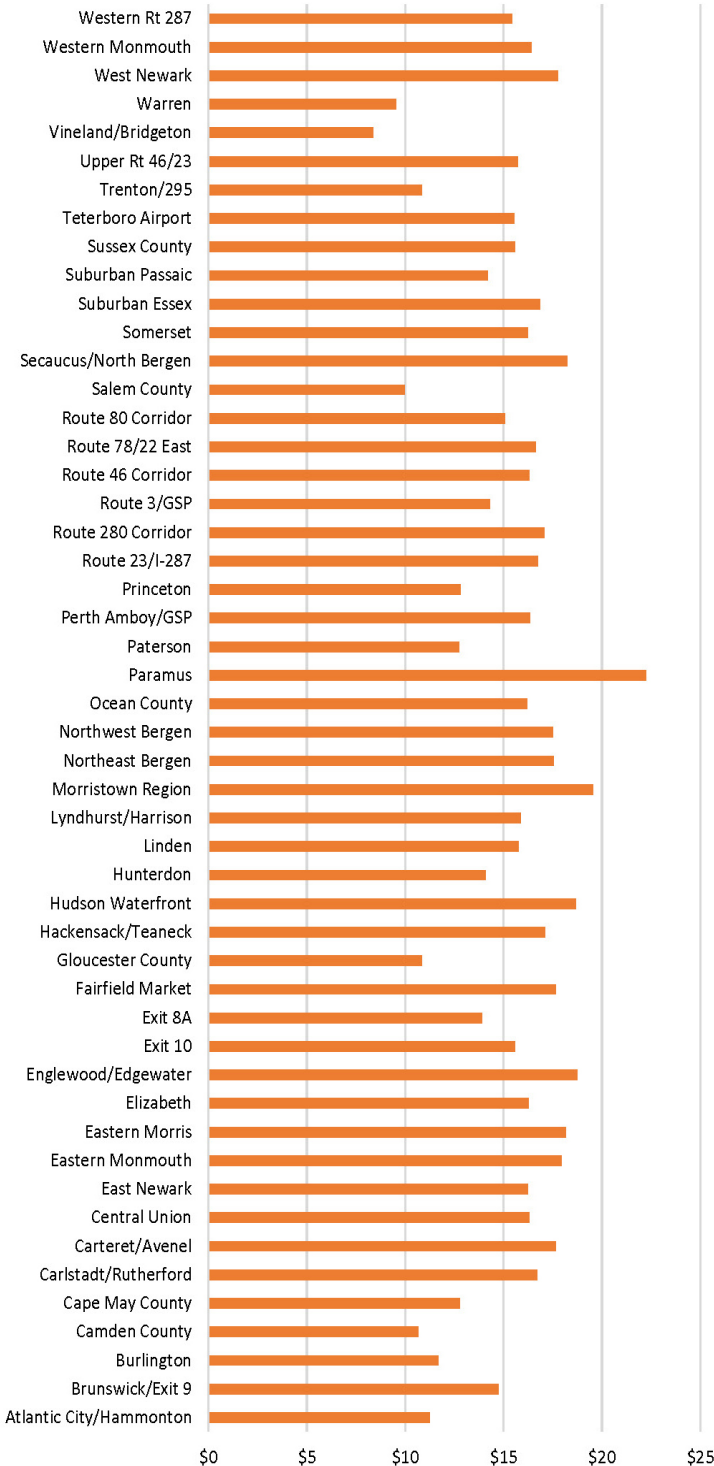
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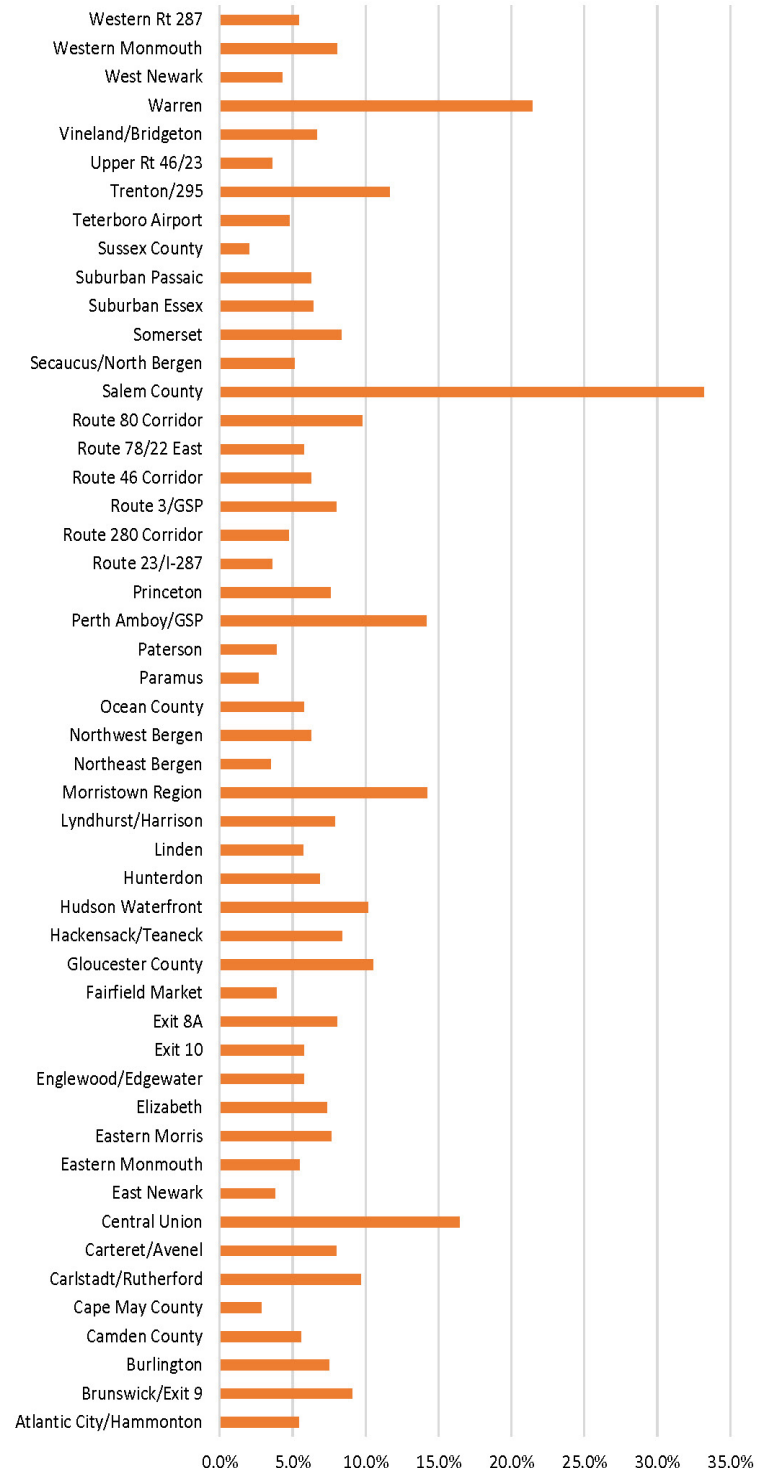


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Industrial: Quoted Rates by Submarket



Industrial: Vacancy Rates by Submarket



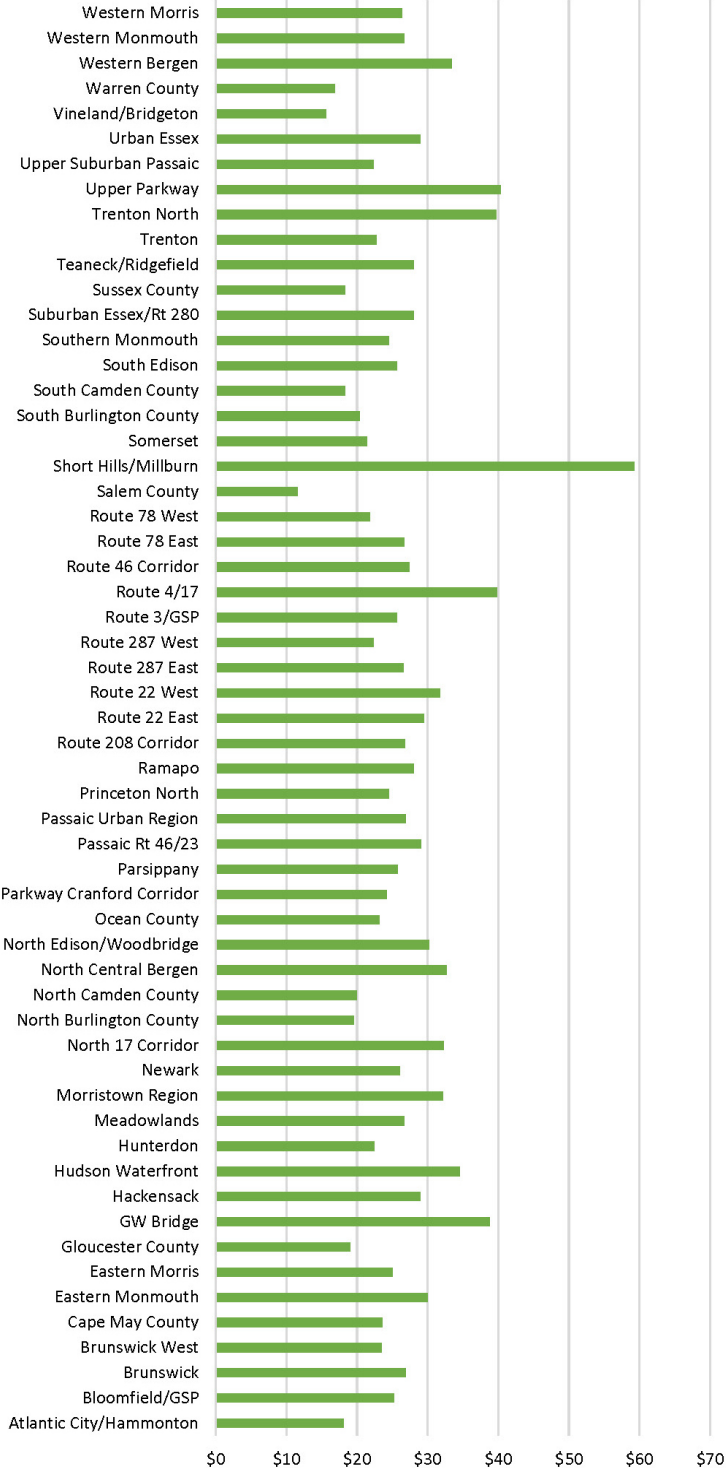
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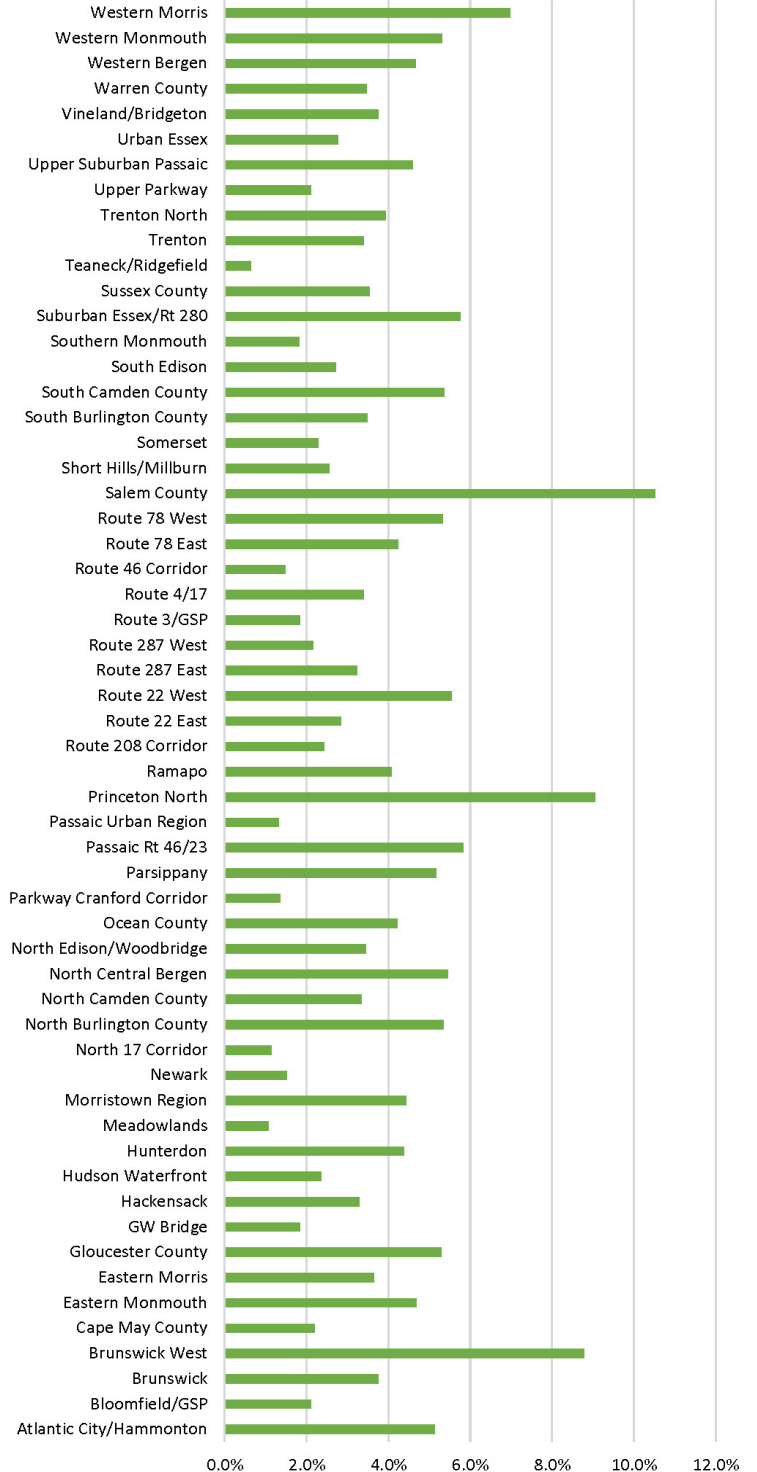


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Retail: Quoted Rates by Submarket



Retail: Vacancy Rates by Submarket



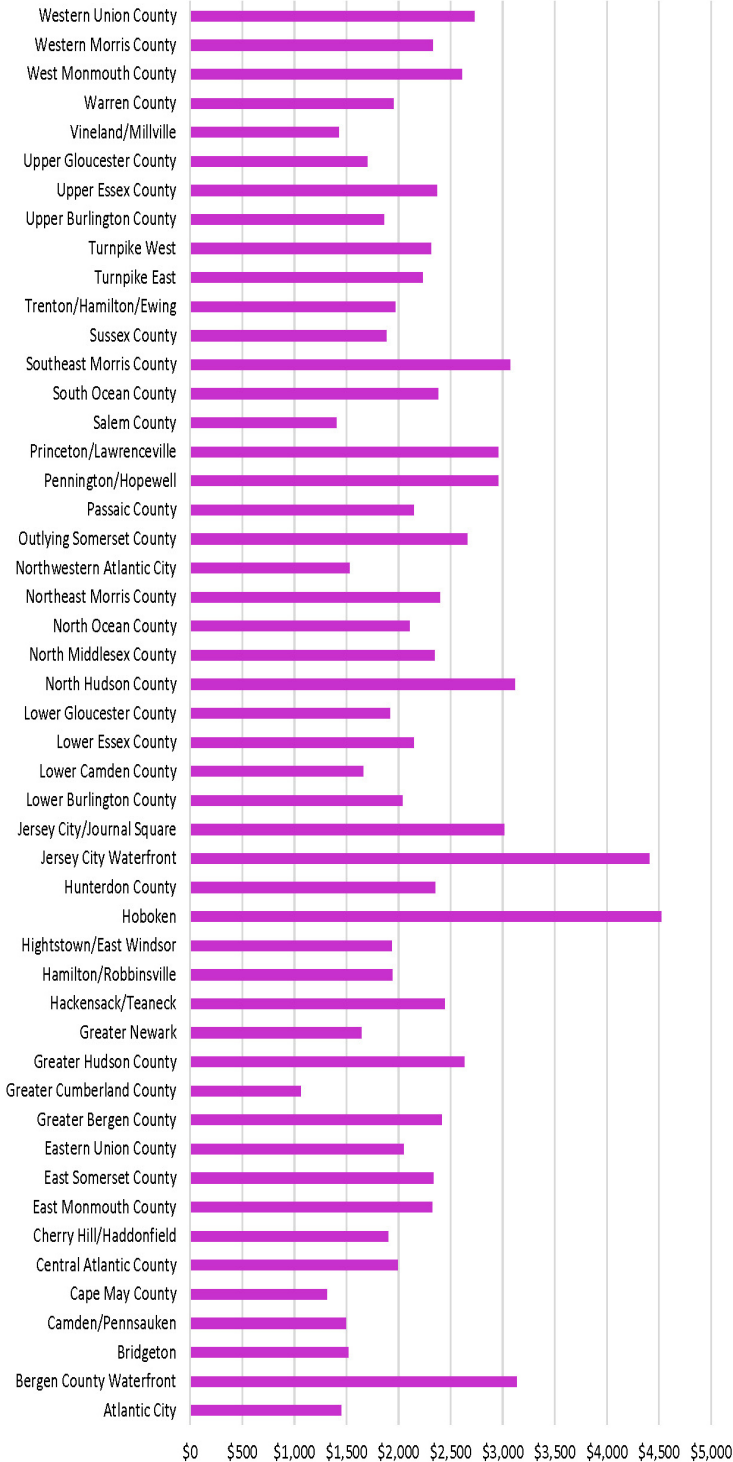
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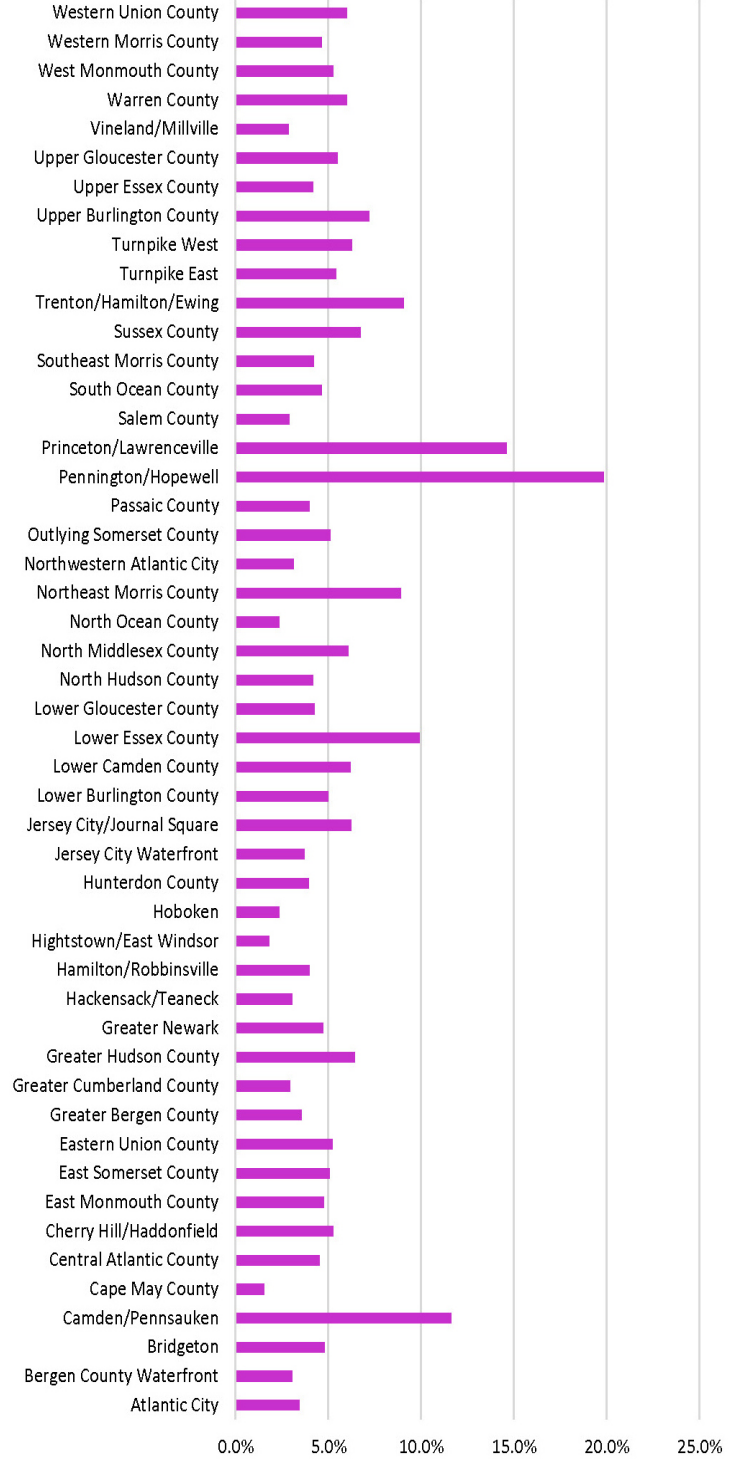


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Multi-Family: Quoted Rates by Submarket



Multi-Family: Vacancy Rates by Submarket



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About Sitar Realty Company

One of the greatest strengths of the Sitar Realty Company is our ability to offer experience and expertise in all forms of real estate brokerage. Among our specialties are office and industrial leasing and sales, property disposition, consulting for acquisitions, investments, joint ventures and asset management. We are active in tenant representation as well as owner representation for exclusive agencies. Our intimate knowledge of the New Jersey real estate market has often meant a shorter lease-up period for exclusive properties. Most of our brokerage activity takes place in the New Jersey and New York metropolitan area and Pennsylvania. Yet, our repeated success with corporations seeking space in other states has assured these firms of the Sitar Realty Company's strong brokerage network throughout the country. Time is critical in today's market. Whether the requirement is 2,000 or 800,000 square feet, Sitar Realty Company's personnel utilize the resources available to fulfill the requirement thoroughly and professionally. From site selection through data analysis, advice, negotiation, and closing, Sitar Realty Company offers a turnkey solution to each transaction. Our goal is to provide the vital services our clients need and expect in an expeditious and comprehensive manner.

Sitar Realty Company Services

- Commercial Brokerage Leasing and Sales
- Investment Services
- Property Tax Consulting & Appeals
- Property Management Services
- Rent Receiver Services
- Award-Winning Research
- Consulting and Advisory
- IRA Real Estate
- Residential Division



Corporate Mission

Our mission is to provide the finest, most professional real estate services to our clients, exceeding their expectations and delivering total satisfaction. Our approach maximizes the value of real estate while minimizing client costs. We combine creativity, real estate specialists, total market expertise, and integrity to achieve comprehensive solutions to real estate needs. Our salespeople have access to reliable resources and the latest technology and support systems available in the industry.

Our vision is to create an environment of constant improvement, resulting in an ever-increasing quality of our services. We will continuously seek to improve every activity and process in the company. We believe that as good as we are today, we must be better tomorrow. Our drive to improve is both continuous and relentless. We strive to be the unsurpassed standard of comparison.

Our commitment is to listen to the voice of the client, understanding their perspective to implement the real estate plan, and to satisfy their needs at a cost that represents real value. We at Sitar Realty Company believe that the complexities of real estate demand a total approach to client needs and space requirements combining ever-improving creativity and multi-functional skills. Our initiatives meet this challenge three ways: in-depth needs assessment, timely information, and dynamic solutions that create long-term value.

We believe the only real test of performance is the quality of services that we provide to the clients we represent. Over the long term, we must consistently exceed their expectations.

Finally, and perhaps most importantly, we will conduct ourselves in an exemplary manner with all our clients and customers, both large and small, thereby creating long-term relationships with them, whether the service is brokerage, consulting, market research, or corporate investments.

Sitar Realty Company Locations

Sitar Realty Company specializes in servicing all real estate markets in New Jersey. The Company is headquartered in Middlesex County, New Jersey with an additional office located in Monmouth County, NJ.

1481 Oak Tree Road, Iselin, NJ 08830
Tel: 732-283-9000 Fax: 732-283-3103

2520 Hwy. 35, Unit 101, Manasquan, NJ 08736
Tel: 732-449-2000 Fax: 732-449-2828

TCN Worldwide

In 2011, Sitar Realty Company was selected to become a member of TCN Worldwide. TCN Worldwide is comprised of more than 5,000 commercial real estate professionals serving more than 200 markets worldwide. With \$58.6 billion in annual transactions and over 445 million square feet of space under management, TCN Worldwide ranks as one of the largest service providers in the industry. As a member of the TCN worldwide system, we are able to provide corporate real estate services to our clients in national and international markets utilizing the best local expertise.

The data collected herein has been derived from Dept. of Labor, Dept. of Commerce, The Federal Reserve, CoStar, Sitar Realty Company, U.S. Census Bureau of Labor Statistics, Port Authority of NY & NJ and NJEDA. Data may not reflect what was previously reported due to new information coming available. The information gathered is deemed reliable, but no warranty or representations are made as to the accuracy thereof and is submitted subject to any errors or omissions. The ideas and opinions expressed in this market report reflect the views of Sitar Realty Company.

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